

STATE BOARD FOR CAREER AND TECHNICAL EDUCATION**Minutes of Meeting****June 23, 2009**

Members of the State Board for Career and Technical Education met at 9:00 a.m. on Tuesday, June 23, 2009, in the Sakakawea Room, State Capitol Building, Bismarck. The meeting was called to order by Mr. Darrel Remington, Chair. The following members were present:

Mr. Jeff Lind, Vice Chair
Ms. Maren Daley, Member
Mr. Brian Duchscherer, Member
Mr. William Goetz, Member
Dr. Wayne Sanstead, Member
Ms. Susan Stibbe, Member
Ms. Rita Wilhelmi, Member

Wayne Kutzer, Dwight Crabtree, Curt Dahme, Brenda Schuler, Debra Huber, Vicki Neuharth, Doug Vannurden, Tom Conlin, Dennis Steele, Kevin Nelson and Jeff Bopp were also present.

CONSIDERATION OF MAY 18, 2009 MINUTES – Mr. Duchscherer moved and Mr. Lind seconded to approve the minutes of the May 18, 2009 meeting as presented. The motion passed unanimously.

FINANCIAL REPORT - Mr. Kutzer reviewed the Appropriation Status Report and the Administrative Budget and Expenditures Report for month ended May 31, 2009, reporting that the total budget expended is in line with the time elapsed.

Following a brief discussion, Dr. Sanstead moved and Ms. Wilhelmi seconded to approve the financial reports as presented. The motion passed unanimously.

DIRECTOR'S REPORT – Mr. Kutzer reported that the answer to the question raised, at the May meeting, as to whether the Emergency Commission had the authority to move dollars from one biennium to another is no, they do not have this authority.

Mr. Kutzer informed the board that the Edinburg School District has become a member of the North Valley Career and Technology Center. There will be no budget implications because the students will be incorporated into current classes.

Mr. Kutzer then reported that he participated in a Dropout Prevention Summit held recently and that those attending felt that CTE is helping students succeed. The information presented at the Summit was provided to the board.

Mr. Kutzer announced that Mr. Doug Vannurden is retiring from the Department after 23 years of state service, effective July 31, 2009. The board commended Mr. Vannurden for his years of service and wished him well on his retirement.

SALARY ADMINISTRATION – Mr. Kutzer provided and explained the salary recommendations for the agency staff. There were three items to review: (1) general salary increases based on a matrix, not across the board increases; (2) equity increases; and (3) performance share increases.

Mr. Kutzer explained that the salary increases were based on performance and a formula approved by the Office of Management and Budget and Human Resource Management Services and that he recommends approving the general salary increases and market equity increases.

Following discussion, Mr. Goetz moved and Ms. Stibbe seconded to approve the salary increases as proposed by Mr. Kutzer. The roll call vote was as follows:

Ms. Stibbe – aye
 Mr. Duchscherer – aye
 Mr. Lind - aye
 Ms. Wilhelmi – aye
 Dr. Sanstead – aye
 Mr. Goetz – aye

Ms. Daley - aye

Mr. Remington – aye

The motion passed unanimously.

Mr. Kutzer then reviewed the proposed performance based salary increase plan, stating that this plan would be considered for all employees on their employment anniversary date. The share amount is recommended at \$18.00, the same amount per share as in the past. Employees could earn up to three shares. The increases would become effective the month following the employee's performance evaluation.

Following discussion on whether the agency had the authority to do so and if there was money in the budget to allow for the increases, it was moved by Mr. Lind and seconded by Mr. Duchscherer to approve the performance based salary plan as recommended since the agency has the salary appropriation without going over their budgeted authority. The roll call vote was as follows:

Ms. Stibbe – aye

Mr. Duchscherer – aye

Mr. Lind - aye

Ms. Wilhelmi – aye

Dr. Sanstead – aye

Mr. Goetz – aye

Ms. Daley - aye

Mr. Remington – aye

The motion passed unanimously.

The board then discussed Mr. Kutzer's salary increase and complimented Mr. Kutzer for his job performance and the successful legislative session for CTE.

Discussion was held on what the average salary increases for employees is and that Mr. Kutzer's performance is in the exemplary category. Mr. Lind stated that the increase should be at least a 5.25 percent increase since that is what an exemplary employee is receiving. Following discussion, Mr. Goetz moved and Ms. Stibbe seconded to approve a 5.25 percent salary increase

for Mr. Kutzer. The roll call vote was as follows:

Mr. Goetz – aye
 Dr. Sanstead – aye
 Ms. Wilhelmi – aye
 Mr. Lind - aye
 Mr. Duchscherer – aye
 Ms. Stibbe – aye
 Ms. Daley – aye
 Mr. Remington – aye

The motion passed unanimously.

AUTHORIZATION TO OPERATE PRIVATE POSTSECONDARY

EDUCATIONAL INSTITUTIONS - **Annual Renewal Requests** - Ms. Huber reviewed the renewal requests and reported that all but one school is seeking renewal of regular status and are all fully accredited and in compliance with state requirements and the one school is seeking provisional approval and is currently in the process of seeking accreditation through the Accrediting Commission of Career Schools and Colleges of Technology.

Following discussion, Ms. Huber recommended approval of all renewal requests, for the period of July 1, 2009 through June 30, 2010. Mr. Lind moved and Dr. Sanstead seconded to approve the renewal requests and provisional request as recommended by Ms. Huber. The roll call vote was as follows:

Mr. Lind - aye
 Mr. Duchscherer – aye
 Ms. Stibbe - aye
 Ms. Wilhelmi - aye
 Dr. Sanstead – aye
 Mr. Goetz - aye
 Ms. Daley – aye
 Mr. Remington - aye

The motion passed unanimously.

New Program Request: Rasmussen College – Ms. Huber reported that Rasmussen College

is seeking approval to implement an associate in applied science degree in Human Services. The program would be offered at the Bismarck and Fargo campuses, as well as online.

Following a brief discussion, Ms. Huber recommended approval of the request. Ms. Wilhelmi moved and Ms. Stibbe seconded to approve the new program request as recommended by Ms. Huber. The roll call vote was as follows:

Ms. Wilhelmi – aye
 Mr. Lind - aye
 Mr. Duchscherer – aye
 Ms. Stibbe - aye
 Dr. Sanstead – aye
 Mr. Goetz - aye
 Ms. Daley – aye
 Mr. Remington - aye

The motion passed unanimously.

DISTRIBUTION OF RECOVERY FUNDS – Mr. Kutzer reviewed the FY 2009 Recovery Funds Utilization recommendation and explained the two options and what the money could be used for. Option one would equally divide any remaining funds between the eight area centers. Option two would prorate any remaining funds to all schools, including the eight area centers, based on current state funding levels with a minimum of \$250.00 to any school.

Discussion was held on the two options and how recovery funds have been used in the past.

Mr. Duchscherer stated that since, historically, the funds have been distributed to all schools, he would like to see that process continue.

Following more discussion, Mr. Duchscherer moved and Dr. Sanstead seconded to approve Option 2; which would prorate any remaining fund balance to all schools based on current state funding levels with a minimum of \$250.00 to any school. Funding could be spent on any approvable CTE activity.

Discussion continued on how the funds were spent previously. Mr. Kutzer reported that last biennium the funds were prorated and sent to all schools with a \$100 minimum payment and that

in the previous biennium, the funds were given to area centers for equipment purchases and special projects.

Discussion was then held on the current reimbursement rate of 38 percent to the five area centers and the 75 percent reimbursement rate that the virtual area centers currently receive. It was agreed that the virtual area centers allocation should be based on the same reimbursement rate as the other five area centers for this disbursement only.

Ms. Stibbe moved and Ms. Wilhelmi seconded to amend the motion so that all eight centers' allocation be based on the same reimbursement rate for this disbursement only.

Mr. Lind then called for the question on the amendment.

The roll call on the amendment to the motion was as follows:

Ms. Stibbe – aye
 Mr. Duchscherer – aye
 Mr. Lind - aye
 Ms. Wilhelmi – aye
 Dr. Sanstead – aye
 Mr. Goetz – (left meeting at 10:00)
 Ms. Daley - aye
 Mr. Remington – aye

The motion passed unanimously.

The roll call vote on the motion was as follows:

Ms. Stibbe – aye
 Mr. Duchscherer – aye
 Mr. Lind - aye
 Ms. Wilhelmi – aye
 Dr. Sanstead – aye
 Ms. Daley - aye
 Mr. Remington – aye

The motion passed unanimously.

Mr. Kutzer reported that a letter will go out with the payments to schools and area centers informing them of the additional payment they are receiving.

NEW LEGISLATIVE FUNDING CONSIDERATIONS – a. Increase Reimbursement

Rates – Mr. Kutzer explained the proposed policy for reimbursement of state funded programs for FY 2010 and funding recommendations for the 2009-11 biennium (yellow sheet). In addition to increasing reimbursement rates in various programs, a review process will be established over the next year in order to be ready for the next legislative session.

Following discussion, Mr. Remington requested that the agency clarify to schools and instructors that when the agency uses the word reimbursement, it doesn't mean that there is a 100 percent reimbursement to a program, it means there is a percentage that is reimbursed back to the school. The board agreed that it is imperative that the instructors and schools get a better explanation and understanding of how the reimbursement process works.

Mr. Kutzer responded that this issue will be addressed at the Professional Development Conference and that schools will also be notified.

Following discussion, Ms. Stibbe moved and Ms. Daley seconded to approve the reimbursement rates as recommended. The roll call vote was as follows:

Ms. Stibbe – aye
Mr. Duchscherer – aye
Mr. Lind - aye
Ms. Wilhelmi – aye
Dr. Sanstead – aye
Ms. Daley - aye
Mr. Remington – aye

The motion passed unanimously.

Mr. Kutzer then reviewed the virtual area center funding and reported that because additional funding for the operation of the virtual centers was approved by the legislature, the Missouri River Area Career and Technology Center could now be fully funded if the board would decide to do so.

Following discussion, Dr. Sanstead moved and Ms. Wilhelmi seconded to fully fund the Missouri River Area Career and Technology Center. The roll call vote was as follows:

Ms. Stibbe – aye
 Mr. Duchscherer – aye
 Mr. Lind - aye
 Ms. Wilhelmi – aye
 Dr. Sanstead – aye
 Ms. Daley - aye
 Mr. Remington – aye

The motion passed unanimously.

PROPOSED 2009-2010 STATE AND FEDERAL FUNDING – Mr. Kutzer reviewed the proposed FY 2010 state and federal funding and new and expanded requests (blue sheet). The Administrative Budget Comparison (white sheet) was also reviewed. Mr. Kutzer reported that many of the increases were due to increases in teacher salaries and program expansions of more than one period a day and that the Adult Farm Management increase was due to level out the funding in that area. Other areas that increased were due to the agency's new Career Advisor Supervisor position and the training and certification requirements for the career advisors across the state.

Mr. Kutzer also reviewed the Carl Perkins Obligations for Fiscal Year 2010 (blue sheet), reporting that the amounts have remained consistent over the years.

Following discussion, Dr. Sanstead moved and Mr. Lind seconded to approve the state and federal funding as recommended. The roll call vote was as follows:

Dr. Sanstead – aye
 Ms. Wilhelmi – aye
 Mr. Lind – aye
 Mr. Duchscherer – aye
 Ms. Stibbe – aye
 Ms. Daley - aye
 Mr. Remington – aye

The motion passed unanimously.

ONLINE COOPERATIVE AGREEMENT AND FACILITATOR POLICY – Mr. Crabtree reviewed the proposed Online Cooperative Agreement and Facilitator Policy (green

sheet) and the reimbursement of the programs.

Lengthy discussion was held on the reimbursement of virtual area centers versus the other area centers and what the restrictions, if any, would be on the virtual area centers in three years.

There was major concern over the wording and the implications of the wording in the policy: “This additional reimbursement does not apply to member schools within a Virtual Area Center.”

The board was concerned about the wording in italics which should be eliminated when the virtual centers are funded at the same level as the other centers so that the policy would apply to all area centers at the same level.

The board also agreed that they want more time to study the online proposed policy. Mr. Kutzer reported that he will provide additional information for them to review in order to make an informed decision at the September board meeting.

Discussion was then held on the proposed facilitator policy and the cost involved. Mr. Kutzer reported that the policy would be watched very closely in terms of budgetary costs and will be reviewed regularly.

Following discussion, Dr. Sanstead moved and Ms. Stibbe seconded to approve only the Facilitator portion of the proposed policy and that the other portion of the policy be reviewed at the board’s next meeting. The roll call vote was as follows:

Dr. Sanstead – aye
 Ms. Wilhelmi – aye
 Mr. Lind – aye
 Mr. Duchscherer – aye
 Ms. Stibbe – aye
 Ms. Daley - aye
 Mr. Remington – aye

The motion passed unanimously.

COORDINATED PROGRAMS OF STUDY – Mr. Crabtree reported on HB1400 which was approved during the past session. Due to the new legislation, there are new graduation

requirements and scholarship opportunities for students. Because of this, the agency has been working on coordinated plans of study. He then reviewed a few samples of the coordinated programs of study and how students could qualify for the two diplomas and scholarships.

Discussion was held on the ramifications of HB1400 and that there will be major changes in schools because of the two separate diplomas that will be available to students.

The board thanked Mr. Crabtree for his report.

PROFESSIONAL DEVELOPMENT CONFERENCE – Mr. Crabtree provided an overview of the conference and invited board members to attend the conference on August 10-12, 2009.

ACTE CONVENTION – Mr. Kutzer reported that the ACTE Convention will be held November 19-21, 2009, in Nashville, Tennessee. The agency sends one board member to the Convention each year. Any board member who would like to attend the convention should contact Mr. Kutzer.

FUTURE SBCTE MEETINGS – All board meetings will begin at 9:00 a.m.

There will be no board meetings in July or August.

The September board meeting will be held on Monday, September 21, 2009

The Joint Boards meeting will be held on Tuesday, September 22, 2009.

The October board meeting will be held on Monday, October 19, 2009.

The November board meeting will be held on Monday, November 16, 2009.

The meeting adjourned at 11:32 a.m.

Respectfully submitted,

Mr. Darrel Remington

Chairperson